

## COMMERCIAL LEASE AGREEMENT

THIS COMMERCIAL LEASE AGREEMENT (this “**Agreement**”) made, entered into and executed this the \_\_\_\_ day of June 2020, by and between United Three Groups, Inc. (hereinafter “**Lessor**”), and Noisebridge, a registered 501(c)(3) non-profit organization (hereinafter “**Lessee**”). Lessor and Lessee contract and agree as follows:

1. Lessor hereby leases unto Lessee the following land and any improvements thereon (hereinafter the “**Leased Property**”): the entirety of that certain two (2) story building located at 272 Capp Street, San Francisco, CA 94110
2. The term of this lease (“**Term**”) shall be ten (10) years, commencing on the Commencement Date (as defined below). The parties acknowledge the current COVID-19 pandemic, and related current and potential future local, state, and national government orders requiring or encouraging businesses such as Lessee’s to remain closed to the public (the “**COVID-19 Orders**”). Subject to Lessor’s receipt of the “Sprinkler Certification” (as defined in Section 12 of Addendum A attached hereto), the parties agree that the Term of this Agreement shall commence on the thirtieth (30th) day following the City of San Francisco’s authorization for non-essential businesses to re-open, including, without limitation, Lessee’s “Permitted Use” (as defined below) at the Leased Premises, in accordance with the COVID-19 Orders (the “**Commencement Date**”), and ending on the last day of the 120th full calendar month following the Commencement Date (the “**Expiration Date**”), unless the Term be sooner terminated or canceled as provided herein.

From the date of execution of this Lease until the Commencement Date (the “**Pre-Commencement License Term**”), Lessee shall have the right to access the Leased Premises in order to allow Lessee to install fixtures, furnishings, equipment and telecommunications infrastructure in the Leased Premises, and to fully equip the Leased Premises with all furniture, floor and wall coverings, exterior signs, and special equipment and other items of construction and personal property necessary for the completion of the Leased Premises and the proper operation of Lessee’s business therein for the Permitted Use. During such Pre-Commencement License Term, Lessee shall be bound by all provisions of this Lease except for the obligation to pay Rent.

3. During the primary Term, Lessee shall pay to Lessor, as rent, the sum of \$9,000 per month, in advance, on or before the first day of each month commencing on the Commencement Date. Rent shall thereafter increase annually by three percent (3%) on each anniversary of the Commencement Date.
4. The leased property may be used for the following purposes and for no other purposes: “maker space” activities, which may include but is not limited to, the following: providing a collaboration space dedicated to affordable engineering, arts, and educational infrastructure for community co-learning and skill-sharing; community skill-building events and workshops; woodworking, welding and 3D printing and all uses incidental thereto (the “**Permitted Use**”). Residential use of the Leased Property is strictly forbidden.

5.

- (A) Indemnity: Lessor and Lessee shall indemnify and save harmless the other from any and all losses, fines, suits, damages, expenses, claims, demands and actions of any kind resulting from their negligence, breach, or violation or non-performance of any condition hereof.
- (B) Insurance: Lessee shall, during the entire Term of the Lease keep in full force and effect a policy of public liability insurance with respect to the Leased Property and the business operated by Lessee in the Leased Property and which the limits of general liability shall be in the amount of \$1 million combined single limit, naming Lessor as additional insured. Such coverage shall include a broad form general liability endorsement. The policy shall contain a clause that the Lessee will not cancel or change the insurance without first giving the Lessor ten (10) days prior written notice.

Lessor shall during the Term hereof, at its sole expense, provide and keep in force insurance on the building against loss or damage by fire and extended coverage, in an amount equal to one hundred percent (100%) of the full insurable value thereof, which insurance shall be placed with an insurance company or companies reasonably approved by Lessor and licensed to do business in the state wherein lay the leased premises. The term "full insurable value" shall mean actual replacement value of the building (exclusive of costs of excavation, foundations and footing below ground level). The insurance required under this paragraph shall be carried in the name of the Lessor and shall provide that any proceeds thereunder shall be paid to Lessor and any applicable mortgage holder, according to their respective interests.

Duplicate originals or certificates of insurance of the policies provided shall be furnished by Lessor and Lessee to each other and shall contain an agreement by the insurer that such policy or policies shall not be canceled without at least ten (10) days prior notice to the Lessor and Lessee.

Lessee shall pay all taxes assessed against all of Lessee's personal property located on the Leased Property. Lessee shall pay said taxes when due so as to prevent the assessment of any late fees or penalties.

6. Lessee shall pay for all water, electricity, and other utilities used on the Leased Property.

7.

- (A) Lessor's Repairs: Lessor shall be solely responsible for maintaining the roof, foundation and exterior of the building and all parking areas in good repair for their intended use.
- (B) Other Repairs: All repairs, maintenance, replacement or reconstruction to the interior of the portion of the Leased Property, including but not limited to

replacement of glass doors and windows and repair of the plumbing, are to be made by Lessee at Lessee's expense. If Lessee fails to make such repairs or replacements promptly or within thirty (30) days following Lessor's written notice of the need for such repair, Lessor may, at its option, make such repairs or replacements and Lessee shall repay the reasonable and actual costs thereof to Lessor promptly following Lessor's written notice to Lessee, together with reasonable supporting documentation.

8. Lessee will keep the Leased Property in a clean condition.

Lessee shall promptly comply with all laws, ordinances of the City and County of San Francisco or of any other governmental body (collectively, "Laws"), which relate to Lessee's use of Leased Property and to all ordinances and requirements enforced by the state board of health, sanitary, fire or police departments of the City and County of San Francisco for the correction, prevention and abatement of nuisances in and about or connected with the Leased Property because of Lessee's use thereof during the Term of this Agreement, all at Lessee's expense. Notwithstanding the preceding obligations, Lessor is responsible for any conditions in violation of Section 12 or Section 22(3).

Lessee shall provide for the removal of its own trash, waste paper, boxes and cartons and shall not permit any accumulation of such materials. Lessee shall not engage in any act which shall constitute a nuisance.

9. The occurrence of any of the following shall constitute a default of this Agreement by Lessee:

(a) Lessee's failure to pay rent, or any part thereof or any other sums due under the terms hereof, when due as herein provided, unless such failure is cured within five (5) business days after notice from Lessor that the same was not paid when due;

(b) any failure by Lessee to observe or perform any other covenant, agreement, condition or undertaking herein contained, and such default shall continue for thirty (30) days after written notice thereof from Lessor to Lessee;

(c) if any proceeding under the bankruptcy act of the United States is begun by or against the Lessee, and an order of adjudication, or order approving the petition, be entered in such proceedings, or a receiver or trustee is appointed for substantially all of the Lessee's business or assets, or if Lessee shall make an assignment for the benefit of creditors; or

(d) if Lessee shall abandon the Leased Property.

Upon the occurrence of any event of default by Lessee, it shall be lawful for the Lessor, at his election, to declare the Term hereof ended and to re-enter the Leased Property, and to repossess and enjoy the said premises and any buildings and improvements situated thereon without such a re-entry and repossession working a forfeiture of the rents to be paid and the covenants to be performed by the Lessee during the full Term of this agreement. If any

default shall be made in any covenant, agreement, condition, or undertaking which cannot with due diligence be cured within a period of thirty (30) days, and if notice thereof in writing shall have been given to the Lessee, and if the Lessee, prior to the expiration of such thirty (30) day, shall commence to satisfy the cause of such default and shall proceed diligently and with reasonable dispatch to take all steps and do all work required to cure such default, then the Lessor shall not have the right to declare said Term ended by reason of such default; provided, however, that the curing of any default in such manner shall not be construed to limit or restrict the right of Lessor to declare the said Term ended and enforce all of their rights and remedies hereunder for any other default not so cured.

The foregoing provision for the termination of this lease for any default (beyond the expiration of all applicable notice and cure periods) in any of its covenants shall not operate to exclude or suspend any other remedy of the Lessor for breach of any of said covenants, or for the recovery of said rent for the full Term, and in the event of the termination or default in any of the terms of this lease as aforesaid.

10. Lessee shall permit Lessor and his agents to enter the Leased Property at all reasonable times and upon at least twenty-four (24) hours prior notice to Lessee (except in the case of an emergency) for any of the following purposes to inspect the same: (i) to maintain the building in which the Leased Property is located, (ii) to make repairs to the leased property as the Lessor is obligated or may elect to make, and (iii) to post notices of non-responsibility for alterations or additions or repairs.
11. If the Leased Property, including improvements thereon, are injured by fire or other casualty, Lessee shall have the exclusive right and option to either terminate this Agreement or reconstruct and/or repair the said damaged improvements and continue this Lease under its terms and conditions as if no such casualty occurred by giving written notice to Lessor of Lessee's intention to so continue this Lease within thirty (30) days after the date of said damage or casualty. In the event that Lessee so elects to continue this Lease, any insurance proceeds payable as a result of said fire or casualty shall be first applied to pay the reconstruction or repair of said improvements, and any balance of such insurance proceeds after payment of said reconstruction or repair shall be paid to whoever owns the insurance policy under which payment is made.
12. Lessor hereby represents and warrants that Leased Property was previously operated as a vehicle repair shop in accordance with all applicable zoning, building, fire, and planning codes, including, without limitation, light industrial use (the "**Prior Use**"). In the event the Prior Use was in violation of any Laws or did not allow light industrial use, Lessor shall, at Lessor's sole cost and expense, be responsible for compliance with any Laws or any additional costs that shall arise to ensure such compliance .

If, during the Term of this Agreement, (i) the Leased Property shall be taken or condemned, either in whole or part, by competent authorities for public or quasi-public use, or (ii) if, as a result of other governmental or quasi-public action Lessee is, for more than thirty (30) days, denied reasonable access to the Leased Premises, Lessee shall have the option to

terminate this Agreement as of the date of taking. If Lessee elects not to terminate this Agreement, then this Agreement shall continue in full force and effect.

In addition, throughout the Term of this Agreement, in the event that Lessee's ability to conduct business within the Leased Property for the Permitted Use is materially adversely impacted, or in any way prohibited (by the City of San Francisco, or any governmental agency) due to Lessee's Permitted Use of the Leased Property, or the condition of the Leased Property, then Lessee may terminate the tenancy by providing Lessor thirty (30) days advance written notice. Lessee's exercise of its right to terminate the tenancy under this Section 12 does not constitute an event of default and Lessor is not entitled to any remedies provided under Section 9 upon Lessee's termination of this Agreement pursuant to this Section 12.

13. It is understood and agreed that the relationship of the parties hereto is strictly that of Lessor and Lessee and that the Lessor has no ownership in the Lessee's enterprise and the Agreement shall not be construed as a joint venture or partnership. The Lessee is not and shall not be deemed to be an agent or representative of the Lessor.
14. All covenants, conditions and agreements and undertakings contained in this Agreement shall extend to and be binding on the respective heirs, successors and assigns of the respective parties hereto the same as if they were in every case named and expressed.
15. It is further understood and agreed by and between the Lessor and Lessee that, on account of breach or default by either party of any of their obligations hereunder, it shall become necessary for the other party to employ and/or consult with an attorney to give advice, or to initiate legal proceedings or arbitration to enforce or demand any of either party's rights or remedies hereunder, then, and in any such event, the prevailing party shall recover its reasonable costs and attorney's fees.
16. Written notice to Lessee, all rent checks and all notices from Lessee to Lessor shall be served or sent to:  
United Three Groups Inc.  
2610 36<sup>th</sup> Ave., San Francisco, CA 94116  
  
Until further written notice to Lessor, all notices from Lessor to Lessee shall be served or sent to Lessee at the following address:  
272 Capp Street, San Francisco, CA 94110  
  
All notices to be given under this Agreement shall be in writing and shall be served personally or sent by United States certified or registered mail.
17. This Agreement contains all of the agreements and conditions made between the parties hereto and may not be modified orally or in any other manner other than by agreement in writing signed by all parties hereto or their respective successors in interest.

18. If any section, paragraph, sentence or portion of this Agreement or the application thereof to any party or circumstance shall, to any extent, be or become invalid or illegal, such provision is and shall be null and void, but, to the extent that said null and void provisions do not materially change the overall agreement and intent of this entire agreement, the remainder of this Agreement shall not be affected thereby and each remaining provision of this Agreement shall be valid and enforceable to the fullest extent provided by law.
19. This Agreement shall be governed in accordance with the laws of the State of California.
20. Lessee shall have the right, at its sole expense, to make such alterations and improvements to the Leased Property as it deems necessary or desirable upon giving written notice of same to Lessor and upon Lessor's written consent. Such alterations and improvements shall comply with all applicable construction laws and regulations and shall conform generally with the existing improvements on the Leased Property. Notwithstanding the foregoing, Lessee shall be permitted to make alterations following ten (10) business days notice to Lessor, but without Lessor's prior consent, to the extent that such alterations do not (i) adversely affect the systems and equipment of the Leased Property, exterior appearance of the Leased Property, or structural aspects of the Leased Property, (ii) adversely affect the value of the Leased Property, or (iv) cost more than Fifteen Thousand and 00/100 Dollars (\$15,000.00) for a particular job of work. The Lessee shall keep the Leased Property free from any and all liens arising out of the work performed or materials furnished in making such improvements.
21. Lessee and Lessor hereby warrant and represent to each other that they have not had any dealing with any broker, realtor or agent other than Colliers International CA, Inc., dba Colliers International representing Lessor and Innovation Properties Group representing Lessee in connection with the negotiations for securing this Agreement. Lessee agrees to indemnify, defend and hold harmless Lessor from and against any liability arising from any claim for such a commission or fee, including attorney's fees and costs incurred in connection therewith, whether such claim arises before or after the expiration or termination of this Agreement. Lessor agrees to indemnify, defend and hold harmless Lessee from and against any liability arising from any claim for such a commission or fee, including attorney's fees and costs incurred in connection therewith, whether such claim arises before or after the expiration or termination of this Agreement. Lessor is not responsible for any fees/commissions due Innovation Properties Group relating to this lease. Lessor agrees to pay Colliers International CA, Inc., dba Colliers International a commission relating to this lease pursuant to a separate agreement between Lessor and Colliers International CA, Inc., dba Colliers International.
22. Additional Provisions:
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1. Lessee shall provide a security deposit of \$18,000 due upon lease execution.
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2. The first rent payment of \$9,000 is due upon lease execution.
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3. 3. Lessor agrees to install a standard fire sprinkler system meeting the minimum requirements of State and local law in the Leased Premises and shall deliver
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the Leased Premises with that fire sprinkler system installed and all mechanical, electrical, and plumbing in good working order and condition. A permit was obtained indicating that Leased Property was fully sprinklered according to applicable standards for the Prior Use at the time of permitting and installation.

4. Subject to Landlord's delivery obligations set forth in the immediately preceding sentence (Section 22(3)), Lessee takes the Leased Premises "as is", except for any latent defects or any conditions in violation of Section 12.

5. A late charge of \$300 will apply to rent payments received after the 5<sup>th</sup> day of the month in which payment is due.

6. Lessee shall not have access to the roof, for any reason, without authorization from Lessor.

7. Addendum A is hereby incorporated into this Lease. Refer to that Addendum for additional terms.

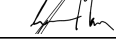
\* \* \*

WITNESS the signatures of the parties, this the \_\_\_\_ day of June, 2020.

LESSOR: United Three Groups, Inc.

LESSEE: Noisebridge, a registered  
501(c)(3) non-profit organization

\_\_\_\_\_  
By: Douglas D. Kwan  
Title: Managing Director

\_\_\_\_\_  
By:   
Title: Treasurer

07 / 07 / 2020

## ADDENDUM A

**The following terms and conditions are hereby incorporated in and made part of the Commercial Lease Agreement in which United Three Groups, Inc. is referred to as (“Lessor”), and Noisebridge, a registered 501(c)(3) non-profit organization is referred to as (“Lessee”).**

1. Lessee shall provide the contact information indicated below of its designated officer at the time this Lease is signed. This shall be given in writing to Lessor upon contract signing including email, cell phone, and address

Address: 2261 Market st #231  
Cell Phone: 678-231-9992  
Email Address: treasurer@noisebrid

2. Any and all notices required under this Lease may be provided by first-class mail, hand delivery or email transmission.

3. Except to the extent arising from the negligence or willful misconduct of the Lessor or the “Lessor Parties” (as that term is defined below), and subject to Lessor’s indemnification obligations set forth below, Lessee waives all claims against Lessor and the Lessor Parties, for lost profit or income, damages to equipment, automobiles, parts, supplies, goods, wares, merchandise, and for injuries to persons in, upon, or about the Leased Property, from any cause including acts of theft, flood, water leakage, acts of God, arising at any time; and

4. Except to the extent arising from the negligence or willful misconduct of Lessor or the Lessor Parties, Lessee will defend and hold Lessor, its directors, officers, employees and agents (the “**Lessor Parties**”), exempt and harmless from any damage or injury to any person, or the goods, wares, automobiles, parts and merchandise of any person, arising from the use of the Leased Property by Lessee, or from the failure of the Lessee to keep the Leased Property in good condition and repair, as provided by this Lease.

Lessor shall indemnify, defend, protect, and hold harmless Lessee from and against any claims to the extent incurred in connection with or arising from (a) any negligence or willful misconduct of Lessor or the Lessor Parties in, on or about the Leased Property; and (b) any breach, violation, or non-performance by Lessor or the Lessor Parties of any term, covenant, or provision of this Agreement.

5. Lessee may not assign or sub-lease any part of the Leased Property without Lessor’s express prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

6. Except as otherwise set forth in Sections 12 and 13 below, and Sections 12 and 22(3) of the Lease, neither Lessor nor any of its agents has made any representation or warranty as to the condition of the Leased Property or the suitability of the Leased Property for the conduct of Lessee’s business.

7. Lessee shall not do or permit any act to be done that will increase the existing rate or cause of cancellation of insurance on the Leased Property or will cause substantial increase in utility services normally supplied to the Leased Property.

8. Lessor shall comply with all statutes, ordinances, rules, regulations, and other requirements of all governmental entities, now or later in force, including but not limited to, all provisions of the American with Disabilities Act, that pertain to Lessee’s use of the Leased Property, and with all reasonable rules and regulations that are adopted by Lessor for the safety, care, and cleanliness of the Leased Property and the



preservation of good order on the Leased Property. Notwithstanding the foregoing, in no event shall Lessee have any obligation to make any alterations, repairs and/or to otherwise remedy (or any liability whatsoever therefor) a condition existing prior to the Commencement Date.

9. Lessor agrees not to conduct any auction sale in the Leased Property.

10. Lessee shall not do or permit any act to be done in or about the Leased Property which will create a nuisance, or place any loads upon the floor, walls or ceiling which endanger the structure, or obstruct the sidewalk or passage ways or stairways in front of, within, or adjacent to the Leased Property, or do or permit to be done anything in any way tending to disturb the occupants of neighboring property or tending to injure the reputation or appearance of the building.

11. Noisebridge is a Section 501(c)(3) non-profit collaborative space dedicated to providing affordable engineering, arts, and educational infrastructure for community co-learning and skill-sharing, in order to further the organization's scientific, artistic, and educational missions of facilitating such collective self-empowerment in the public interest.

12. Lessor agrees to obtain and maintain throughout the Term of the Lease, the 5 year fire sprinkler certifications and any required renewals thereof (collectively, the "**Sprinkler Certifications**"). Lessor hereby represents and warrants that the Sprinkler Certifications comply with Laws regarding sprinkler requirements for the Permitted Use.

13. Lessor hereby represents that Lessor has not received, and has no notice of, a threatened or actual violation of environmental laws with respect to the Leased Property. Nothing in this Lease shall impose any liability on Lessee for any hazardous materials (as defined under applicable Law) in existence on the Leased Premises prior to the Commencement Date or brought onto the Leased Premises after the Commencement Date by any third parties not under Lessee's control.

\* \* \*

- Signatures on the following page -

WITNESS the signatures of the parties, this the \_\_\_\_ day of June, 2020.

LESSOR: United Three Groups, Inc.

LESSEE: Noisebridge, a registered  
501(c)(3) non-profit organization

By: \_\_\_\_\_

Name: Douglas D. Kwan

Title: Managing Director



By: \_\_\_\_\_

Name: Tyler Maran

Title: Treasurer

07 / 07 / 2020

<b>TITLE</b>	272 Capp Lease and Addendum
<b>FILE NAME</b>	272 Capp Final Lease 7.7.2020.docx and 1 other
<b>DOCUMENT ID</b>	0ba8d2225e150776335dd032d0cef34c3c6c6289
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<b>STATUS</b>	● Completed

## Document History



SENT

**07 / 07 / 2020**

19:12:01 UTC

Sent for signature to Tyler Maran (tyler.maran@gmail.com)  
from charlie@ipgsf.com  
IP: 162.217.74.120



VIEWED

**07 / 08 / 2020**

03:27:27 UTC

Viewed by Tyler Maran (tyler.maran@gmail.com)  
IP: 157.131.154.187



SIGNED

**07 / 08 / 2020**

04:55:46 UTC

Signed by Tyler Maran (tyler.maran@gmail.com)  
IP: 157.131.154.187



COMPLETED

**07 / 08 / 2020**

04:55:46 UTC

The document has been completed.